(iv) In case the proposal seeks any exemption from any of the prescribed conditions, it would require approval of the Union Cabinet.

(v) All reserved activities to be performed at the airport by Central agencies like immigration, customs etc. would be on cost recovery basis.

Modernisation of Delhi Airport

4157. SHRI RAMDAS AGARWAL:
SHRI DARA SINGH:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government is aware that the Delhi International Airport (P) Ltd. (DIAL) which was assigned the job of modernising the Indira Gandhi International (IGI) Airport as well as to decongest the airport, is reportedly going very slow in its work; and

(b) if so, what instructions his Ministry have issued so far to DIAL for early implementation of measures to decongest the IGI Airport so as to avoid long queues right from the entry gates to security check counters/immigration checking counters and also to save the passengers from missing their flights?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) and (b) The modernization and development of IGI Airport, Delhi by M/s Delhi International Airport Pvt. Ltd. (DIAL) is progressing as per schedule. The progress is being regularly monitored by the Government.

DIAL and other agencies concerned are endeavouring to minimise inconvenience to the passengers during the transition phase.

Losses of Domestic Airlines

4158. DR. T. SUBBARAMI REDDY:
SHRI GIREESH KUMAR SANGHI:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether various airlines in India have bled losses of around Rs. 2,000. crore in 2006-07, despite a 30 per cent growth in revenues, that is nearly seven times more than previous year's Rs. 301.74 crore losses;

(b) whether his Ministry's estimates provide a clear indication of the financial State of India's nine domestic carriers while their cost of operation has gone up considerably, growth in revenues has not been proportional;

(c) if so, the main reasons for the continuous losses; and

(d) what steps Government proposes to take to improve the position?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) and (b) The Government does not analyze the financial performance of private airlines.

(c) Some losses particularly during the initial years of operation are factored-in by airlines in their business plans and are due to high start-up costs. Other reasons indicated

by airlines for incurring low profits are high ATF cost, decline in yields due to increased competition etc.

(d) State Governments have been requested to consider moderation of the rate of sales tax imposed on Aviation Turbine Fuel (ATF) and align it with the "Declared Goods" rate of 4%. Governments of Andhra Pradesh and Kerala have since reduced the sales tax on ATF to 4%. Government of Rajasthan has also reduced the sales tax on ATF to 4% in case of the following:—

1. Airlines which establish a 'HUB' in the State.

2. Registered Flying clubs for their training flights; and

3. Airlines which for the first time connect cities of the State having no air service, the exemption would be limited to such flights only.

Government of Maharashtra has also announced reduction of Sales tax on ATF from 25% to 4% for flights from airports other than Pune and Mumbai.

Aviation agreement with Pakistan

4159. SHRI KAMAL AKHTAR:
SHRI ABU ASIM AZMI:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether to increase the number of air flights between India and Pakistan some agreement has been made recently;

(b) if so, the details thereof and the last destinations of such flights through Pakistan;

(c) how far India would be benefited;

(d) whether to control the hijacking of aircrafts some mechanism has also been agreed to;

(e) if so, the details thereof; and

(f) if not, what shall be the safety of the flights?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) Yes, Sir.

(b) and (c) In the bilateral talks held at Rawalpindi on 14-15 February, 2008, the capacity entitlements for the designated airlines of each side were enhanced from 12 to 28 services per week. Chennai and Islamabad have been agreed as additional points of call for the designated airlines of Pakistan and India respectively. Moreover, both sides are now entitled to designate upto 3 airlines for the purpose of operating the agreed services on the specified routes.

(d) to (f) Though no specific agreement was signed during the talks for controlling hijacking, contingency plans in the event of hijacks are provided for each civil airport in India. Further, under the National Civil Aviation Security Programme of Inida, specific provisions relating to maintenance of the security of national and foreign air operators providing services from India as well as of civil airports, civil enclaves in India supporting international & domestic flights, exist.